

**NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2002**

Enterprise Funds are established to account for organizations which are intended to be self-supporting through fees charged for services to the public.

King County has six nonmajor enterprises that are accounted for using the accrual basis. A typical enterprise consists of an operating and construction sub-fund and may also include debt service or other reserve sub-funds.

Institutional Network (I-Net) Enterprise Fund (#00000453-0) - Accounts for the development and operations of the fiber-optic-based network which provides broadband internet connectivity to agencies across the county.

King County International Airport Enterprise Fund (#00000429-0 and 338-0) - Accounts for the operations, maintenance, capital improvements, and expansion of King County International Airport/Boeing Field. Its major revenues consist of property leases, airport user fees, fuel flowage fees, service charges, concessions, and short-term rental agreements.

The Radio Communications Services Enterprise Fund (#00000450-1, 347-2 and 347-3) - Accounts for the operation, maintenance, capital improvements, and expansion of the 800 MHz Trunked Radio System and other radio services. Initial funding of the infrastructure was through a property tax levy. Costs are recovered primarily through user fees, including charges for maintenance and future equipment replacement.

The Sewer Utility Enterprise Fund (#00000890-0 and 4801-0) - Collects assessments and pays principal and interest on sewer revenue bonds issued to pay the costs of sewerage general plan service area construction for the King County Utility Local Improvement District and the King County Sewer and Drainage District 4.

The Solid Waste Enterprise Fund (#00000404-0, 390-0, 381-0, 391-0, 383-0, and 104-0) - Accounts for the operations, maintenance, capital improvements, and expansion of the County's solid waste disposal facilities under the King County Solid Waste Division. The County operates seven solid waste transfer stations, two solid waste drop box stations, and two sanitary landfills. Operating revenues come primarily from tipping fees at the County's eleven active solid waste disposal sites. Bond proceeds fund most construction. Significant reserves are set aside to replace landfills, to provide for post-closure care and remediation costs, and to replace equipment.

The Stadium Enterprise Fund (#00000448-0 and 394-0) - The Kingdome was demolished March 2000. In June 1997 voters approved Referendum 48, providing for public/private funding sources for the construction of a new football/soccer stadium, exhibition hall, and parking structure.

KING COUNTY, WASHINGTON
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2002
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	TOTAL	I-NET	KING COUNTY INTERNATIONAL AIRPORT	RADIO COMMUNICATIONS	SEWER UTILITY	SOLID WASTE	STADIUM
ASSETS							
Current assets							
Cash and cash equivalents	\$ 59,265,771	\$ 84,854	\$ 4,934,933	\$ 1,645,917	\$ -	\$ 51,527,790	\$ 1,072,277
Accounts receivable	5,211,646	-	201,953	106,964	-	4,822,092	80,637
Estimated uncollectible accounts receivable	(146,801)	-	(13,631)	-	-	(52,533)	(80,637)
Notes/contracts receivable	1,238,841	-	1,105,971	132,870	-	-	-
Due from other funds	798,187	29,310	23,043	140,254	-	605,580	-
Due from other governments	273,178	123,856	-	-	-	149,322	-
Inventory of supplies	740,169	-	100,884	66,672	-	572,613	-
Prepayments	7,740	7,740	-	-	-	-	-
Total current assets	<u>67,388,731</u>	<u>245,760</u>	<u>6,353,153</u>	<u>2,092,677</u>	<u>-0-</u>	<u>57,624,864</u>	<u>1,072,277</u>
Restricted assets							
Construction							
Cash and cash equivalents	111,138,390	-	22,734,816	1,497,966	-	86,905,608	-
Accounts receivable	29,295	-	-	23,685	-	5,610	-
Due from other funds	57,919	-	-	2,919	-	55,000	-
Due from other governments	75,000	-	75,000	-	-	-	-
Bond							
Cash and cash equivalents	193,480	-	-	-	193,480	-	-
Total restricted assets	<u>111,494,084</u>	<u>-0-</u>	<u>22,809,816</u>	<u>1,524,570</u>	<u>193,480</u>	<u>86,966,218</u>	<u>-0-</u>
Capital assets							
Land	28,641,732	-	14,960,463	-	-	12,258,404	1,422,865
Buildings	39,897,457	-	20,899,554	279,641	-	17,984,966	733,296
Improvements other than buildings	116,035,686	-	23,778,608	-	-	92,257,078	-
Furniture, machinery and equipment	58,619,705	3,448,041	3,004,906	16,252,783	-	35,913,975	-
Accumulated depreciation	(117,005,520)	(405,771)	(25,563,741)	(9,206,865)	-	(81,095,847)	(733,296)
Work in progress	30,186,407	-	11,109,652	6,096,272	-	12,980,483	-
Total capital assets	<u>156,375,467</u>	<u>3,042,270</u>	<u>48,189,442</u>	<u>13,421,831</u>	<u>-0-</u>	<u>90,299,059</u>	<u>1,422,865</u>
TOTAL ASSETS	<u>\$ 335,258,282</u>	<u>\$ 3,288,030</u>	<u>\$ 77,352,411</u>	<u>\$ 17,039,078</u>	<u>\$ 193,480</u>	<u>\$ 234,890,141</u>	<u>\$ 2,495,142</u>

KING COUNTY, WASHINGTON
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2002
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	<u>TOTAL</u>	<u>I-NET</u>	<u>KING COUNTY INTERNATIONAL AIRPORT</u>	<u>RADIO COMMUNICATIONS</u>	<u>SEWER UTILITY</u>	<u>SOLID WASTE</u>	<u>STADIUM</u>
OPERATING REVENUES							
I-Net fees	\$ 774,471	\$ 774,471	\$ -	\$ -	\$ -	\$ -	\$ -
Radio services	3,153,287	-	-	3,153,287	-	-	-
Solid waste disposal charges	79,144,174	-	-	-	-	79,144,174	-
Airfield fees	1,333,051	-	1,333,051	-	-	-	-
Hangar, building, and site rentals and leases	6,578,985	-	6,578,985	-	-	-	-
Reimbursement for services to tenants	893,277	-	893,277	-	-	-	-
Miscellaneous	16,569	-	15,668	-	-	901	-
Total operating revenues	<u>91,893,814</u>	<u>774,471</u>	<u>8,820,981</u>	<u>3,153,287</u>	<u>-0-</u>	<u>79,145,075</u>	<u>-0-</u>
OPERATING EXPENSES							
Personal services	32,171,049	475,315	3,806,871	623,963	-	27,220,965	43,935
Materials and supplies	4,629,867	331	407,532	217,677	-	4,004,327	-
Contract services and other charges	15,582,782	176,630	1,014,601	506,844	-	13,881,833	2,874
Utilities	920,487	-	818,983	45,921	-	48,731	6,852
Internal services	11,566,612	214,487	3,612,651	340,409	-	7,399,065	-
Landfill closure and post-closure care	9,395,174	-	-	-	-	9,395,174	-
Depreciation	12,928,054	325,318	1,048,934	1,554,696	-	9,999,106	-
Total operating expenses	<u>87,194,025</u>	<u>1,192,081</u>	<u>10,709,572</u>	<u>3,289,510</u>	<u>-0-</u>	<u>71,949,201</u>	<u>53,661</u>
OPERATING INCOME (LOSS)	<u>4,699,789</u>	<u>(417,610)</u>	<u>(1,888,591)</u>	<u>(136,223)</u>	<u>-0-</u>	<u>7,195,874</u>	<u>(53,661)</u>

KING COUNTY, WASHINGTON
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
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	TOTAL	I-NET	KING COUNTY INTERNATIONAL AIRPORT	RADIO COMMUNICATIONS	SEWER UTILITY	SOLID WASTE	STADIUM
NONOPERATING REVENUES							
Intergovernmental	\$ 197,400	\$ 197,400	\$ -	\$ -	\$ -	\$ -	\$ -
Interest earnings	5,943,799	1,220	1,114,664	77,455	6,806	4,704,747	38,907
DNR administration	2,739,782	-	-	-	-	2,739,782	-
Rental income	96,047	-	-	-	-	96,047	-
Miscellaneous	1,295	-	-	30	-	-	1,265
Total nonoperating revenues	<u>8,978,323</u>	<u>198,620</u>	<u>1,114,664</u>	<u>77,485</u>	<u>6,806</u>	<u>7,540,576</u>	<u>40,172</u>
NONOPERATING EXPENSES							
Interest	3,220,232	1,663	1,162,470	502	-	2,055,597	-
DNR administration	4,562,544	-	-	-	-	4,562,544	-
Loss on disposal of capital assets	296,334	-	7,468	2,487	-	286,379	-
Miscellaneous	741,014	-	4,049	-	-	736,965	-
Total nonoperating expenses	<u>8,820,124</u>	<u>1,663</u>	<u>1,173,987</u>	<u>2,989</u>	<u>-0-</u>	<u>7,641,485</u>	<u>-0-</u>
Income (loss) before contributions and transfers	4,857,988	(220,653)	(1,947,914)	(61,727)	6,806	7,094,965	(13,489)
Capital Contributions	4,031,354	2,301,334	1,229,646	-	-	500,374	-
Transfers in	251,226	-	-	-	-	251,226	-
Transfers out	<u>(716,516)</u>	<u>-</u>	<u>(66,773)</u>	<u>-</u>	<u>-</u>	<u>(649,743)</u>	<u>-</u>
CHANGE IN NET ASSETS	8,424,052	2,080,681	(785,041)	(61,727)	6,806	7,196,822	(13,489)
NET ASSETS - JANUARY 1, 2002 (RESTATED)	<u>172,325,944</u> ^(a)	<u>1,128,425</u>	<u>65,776,004</u>	<u>16,717,383</u>	<u>186,174</u>	<u>86,012,664</u> ^(a)	<u>2,505,294</u>
NET ASSETS - DECEMBER 31, 2002	<u>\$ 180,749,996</u>	<u>\$ 3,209,106</u>	<u>\$ 64,990,963</u>	<u>\$ 16,655,656</u>	<u>\$ 192,980</u>	<u>\$ 93,209,486</u>	<u>\$ 2,491,805</u>

(a) See Note 14, "Restrictions, Reserves, Designations and Changes in Equity" - Restatement of Beginning Balances.

KING COUNTY, WASHINGTON
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
DECEMBER 31, 2002
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	TOTAL	I-NET	KING COUNTY INTERNATIONAL AIRPORT	RADIO COMMUNICATIONS	SEWER UTILITY	SOLID WASTE	STADIUM
LIABILITIES							
Current liabilities							
Accounts payable	\$ 3,174,680	\$ 3,028	\$ 202,494	\$ 229,662	\$ -	\$ 2,739,496	\$ -
Due to other funds	1,505,681	235	39,769	623	-	1,465,054	-
Interest payable	468,429	-	94,114	-	-	374,315	-
Wages payable	1,355,607	75,661	117,585	34,470	-	1,127,891	-
Taxes payable	128,840	-	125,720	-	-	3,120	-
Deferred revenues	1,533,813	-	1,495,604	-	-	38,209	-
Obligations under reverse repurchase agreements	1,021,983	-	93,264	-	-	928,719	-
General obligation bonds payable	4,783,987	-	285,000	-	-	4,498,987	-
Custodial accounts	7,993	-	-	-	-	7,993	-
Total current liabilities	<u>13,981,013</u>	<u>78,924</u>	<u>2,453,550</u>	<u>264,755</u>	<u>-0-</u>	<u>11,183,784</u>	<u>-0-</u>
Liabilities payable from restricted assets							
Accounts payable	1,794,319	-	696,838	6,255	-	1,091,226	-
Due to other funds	130,551	-	27,690	-	-	102,861	-
Arbitrage earnings payable	4,439	-	1,102	-	-	-	3,337
Obligations under reverse repurchase agreements	1,594,491	-	374,819	-	-	1,219,672	-
Retainage payable	56,786	-	56,786	-	-	-	-
Revenue bonds payable	500	-	-	-	500	-	-
Landfill closure and post-closure care liability	95,295,642	-	-	-	-	95,295,642	-
Total liabilities payable from restricted assets	<u>98,876,728</u>	<u>-0-</u>	<u>1,157,235</u>	<u>6,255</u>	<u>500</u>	<u>97,709,401</u>	<u>3,337</u>
Long-term liabilities							
General obligation bonds payable	38,863,783	-	8,040,000	-	-	30,823,783	-
Deferred bond discount/refunding losses	(1,047,654)	-	-	-	-	(1,047,654)	-
Compensated absences payable	3,202,409	-	370,824	82,266	-	2,749,319	-
Customer deposits	632,007	-	339,839	30,146	-	262,022	-
Total long-term liabilities	<u>41,650,545</u>	<u>-0-</u>	<u>8,750,663</u>	<u>112,412</u>	<u>-0-</u>	<u>32,787,470</u>	<u>-0-</u>
TOTAL LIABILITIES	<u>154,508,286</u>	<u>78,924</u>	<u>12,361,448</u>	<u>383,422</u>	<u>500</u>	<u>141,680,655</u>	<u>3,337</u>
NET ASSETS							
Invested in capital assets, net of related debt	113,775,351	3,042,270	39,864,442	13,421,831	-	56,023,943	1,422,865
Restricted	23,363,876	-	21,652,581	1,518,315	192,980	-	-
Unrestricted	43,610,769	166,836	3,473,940	1,715,510	-	37,185,543	1,068,940
TOTAL NET ASSETS	<u>\$ 180,749,996</u>	<u>\$ 3,209,106</u>	<u>\$ 64,990,963</u>	<u>\$ 16,655,656</u>	<u>\$ 192,980</u>	<u>\$ 93,209,486</u>	<u>\$ 2,491,805</u>

KING COUNTY, WASHINGTON
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
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	TOTAL	I-NET	KING COUNTY INTERNATIONAL AIRPORT	RADIO COMMUNICATIONS	SEWER UTILITY	SOLID WASTE	STADIUM
CASH FLOWS FROM OPERATING ACTIVITIES							
Cash received from customers	\$ 95,848,562	\$ 684,875	\$ 10,316,286	\$ 3,258,552	\$ -	\$ 81,588,849	\$ -
Cash payments to suppliers for goods and services	(33,587,193)	(494,443)	(7,591,124)	(1,020,220)	-	(24,470,470)	(10,936)
Cash payments for employee services	(31,774,028)	(399,654)	(3,852,127)	(690,979)	-	(26,787,334)	(43,934)
Other receipts	2,837,124	-	-	30	-	2,835,829	1,265
Other payments	(4,782,045)	(7,740)	-	-	-	(4,774,305)	-
Net Cash Provided (Used) by Operating Activities	28,542,420	(216,962)	(1,126,965)	1,547,383	-0-	28,392,569	(53,605)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Operating grants and subsidies received	697,774	197,400	-	-	-	500,374	-
Transfers in	251,226	-	-	-	-	251,226	-
Transfers out	(1,241,720)	-	(66,773)	-	-	(1,174,947)	-
Interest paid on short-term loans	(1,663)	(1,663)	-	-	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	(294,383)	195,737	(66,773)	-0-	-0-	(423,347)	-0-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Acquisition of capital assets	(24,622,817)	(20,357)	(8,720,328)	(181,963)	-	(15,700,169)	-
Principal paid on general obligation bonds	(4,904,732)	-	(255,000)	-	-	(4,649,732)	-
Interest paid on general obligation bonds	(2,015,462)	-	(1,131,524)	-	-	(883,938)	-
Assessment principal, interest, and penalties received	147	-	-	-	-	147	-
Capital grants received	3,871,623	-	3,871,623	-	-	-	-
Proceeds from sale of capital assets	4,321	-	4,321	-	-	-	-
Landfill closure and post-closure care	(4,617,387)	-	-	-	-	(4,617,387)	-
Net Cash Used by Capital and Related Financing Activities	(32,284,307)	(20,357)	(6,230,908)	(181,963)	-0-	(25,851,079)	-0-
CASH FLOWS FROM INVESTING ACTIVITIES							
Decrease in allocation of pooled reverse repurchase agreements	(1,218,459)	-	457,873	-	-	(1,676,332)	-
Interest on investments (including unrealized gains/losses reported as Cash and cash equivalent)	5,981,630	1,220	1,113,562	76,953	6,806	4,744,182	38,907
Loan collections	356,910	-	356,910	-	-	-	-
Net Cash Provided (Used) by Investing Activities	5,120,081	1,220	1,928,345	76,953	6,806	3,067,850	38,907
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,083,811	(40,362)	(5,496,301)	1,442,373	6,806	5,185,993	(14,698)
CASH AND CASH EQUIVALENTS – JANUARY 1, 2002	169,513,830	125,216	33,166,050	1,701,510	186,674	133,247,405	1,086,975
CASH AND CASH EQUIVALENTS – DECEMBER 31, 2002	\$ 170,597,641	\$ 84,854	\$ 27,669,749	\$ 3,143,883	\$ 193,480	\$ 138,433,398	\$ 1,072,277

KING COUNTY, WASHINGTON
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
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	TOTAL	I-NET	KING COUNTY INTERNATIONAL AIRPORT	RADIO COMMUNICATIONS	SEWER UTILITY	SOLID WASTE	STADIUM
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
Operating income (loss)	\$ 4,699,789	\$ (417,610)	\$ (1,888,591)	\$ (136,223)	\$ -0-	\$ 7,195,874	\$ (53,661)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES							
Depreciation	12,928,054	325,318	1,048,934	1,554,696	-	9,999,106	-
Landfill closure and post-closure care	9,395,174	-	-	-	-	9,395,174	-
Other nonoperating revenue/expense	(1,901,329)	-	-	30	-	(1,902,623)	1,264
Changes in assets - (increase) decrease							
Accounts receivable, net	1,502,921	-	114,383	27,366	-	1,361,172	-
Notes/contracts receivable	86,990	-	-	86,990	-	-	-
Due from other funds	350,019	(89,596)	(97,983)	211	-	537,387	-
Due from other governments	298,734	-	60,206	1,525	-	237,003	-
Inventory of supplies	(77,599)	-	(18,740)	21,443	-	(80,302)	-
Prepayments	(7,740)	(7,740)	-	-	-	-	-
Changes in liabilities - increase (decrease)							
Accounts payable	396,406	2,423	387,991	68,565	-	(62,573)	-
Due to other funds	(1,205,042)	(105,418)	(2,106,608)	623	-	1,006,361	-
Wages payable	15,736	75,661	(12,685)	(1,810)	-	(45,430)	-
Taxes payable	(11,555)	-	(10,350)	-	-	3	(1,208)
Deferred revenues	1,533,798	-	1,495,604	-	-	38,194	-
Compensated absences	337,438	-	(32,571)	(65,206)	-	435,215	-
Custodial accounts	(32,980)	-	-	(40,973)	-	7,993	-
Customer deposits	233,606	-	(66,555)	30,146	-	270,015	-
Total Adjustments	23,842,631	200,648	761,626	1,683,606	-0-	21,196,695	56
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 28,542,420	\$ (216,962)	\$ (1,126,965)	\$ 1,547,383	\$ -0-	\$ 28,392,569	\$ (53,605)
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:							
Contributions of capital assets from government	\$ 2,301,334	\$2,301,334	-	-	-	-	-

KING COUNTY, WASHINGTON
ENTERPRISE FUNDS
SCHEDULE OF ANNUAL BUDGETS AND EXPENDITURES (BUDGETARY BASIS) AND ENCUMBRANCES BY APPROPRIATION UNIT^(a)
FOR THE YEAR ENDED DECEMBER 31, 2002

	BUDGET				ACTUAL		
	ORIGINAL	ADJUSTMENTS	FINAL	VARIANCE	TOTAL	2002 YEAR-END ENCUMBRANCES	EXPENDITURES
ENTERPRISES							
I -Net Services							
Operating Fund	\$ 744,750	\$ 151,214	\$ 895,964	\$ 131,154	\$ 764,810	\$ 15,900	\$ 748,910
King County International Airport							
Airport Operations	12,223,441	1,306,554	13,529,995	3,285,687	10,244,308	79,858	10,164,450
Radio Communications Services							
Operating Fund	2,178,502	123,218	2,301,720	10,577	2,291,143	614,495	1,676,648
Sewer Utility Operations	-	-	-	-	-	-	-
Solid Waste							
Solid Waste Operations	83,481,303	3,134,605	86,615,908	8,193,917	78,421,991	2,902,234	75,519,757
DNR Administration	5,000,117	704,215	5,704,332	636,444	5,067,888	126,171	4,941,717
Landfill Post-closure Maintenance	2,735,095	181,975	2,917,070	2,917,070	-	-	-
Stadium Operations	142,030	-	142,030	88,370	53,660	-	53,660
Public Transportation							
Transit Operations	374,660,868	156,148	374,817,016	605,998	374,211,018	-	374,211,018
DOT Director's Office	3,887,471	51,640	3,939,111	179,656	3,759,455	-	3,759,455
Water Quality							
Water Quality Operations	92,044,850	(1,541)	92,043,309	15,403,711	76,639,598	-	76,639,598
Water Quality Debt Service	100,839,000	-	100,839,000	5,428,207	95,410,793	-	95,410,793
Water Quality Construction Transfers	19,580,000	841,515	20,421,515	2,421,515	18,000,000	-	18,000,000
TOTAL OF ENTERPRISE ANNUAL BUDGETS	<u>\$ 697,517,427</u>	<u>\$ 6,649,543</u>	<u>\$ 704,166,970</u>	<u>\$ 39,302,306</u>	<u>\$ 664,864,664</u>	<u>\$ 3,738,658</u>	<u>\$ 661,126,006</u>

(a) The Schedule of Annual Budgets and Expenditures (Budgetary Basis) and Encumbrances by Appropriation Unit is presented in order to disclose budgeted and actual expenditures classified the same as, and at the same level of detail as, the legally adopted budget.

**INTERNAL SERVICE FUNDS
DECEMBER 31, 2002**

Construction and Facilities Management Fund (#00000551-0) – Accounts for custodial services, building maintenance, and CIP project management. The fund earns revenue by charging tenants of county buildings for facilities maintenance, renovation, and architectural services.

Employee Benefits Program Fund (#00000550-0) – Accounts for the activities of employee medical, dental, life insurance, and long-term disability benefit programs and will account for future modifications to existing benefits or additions of new employee benefits.

Financial Management Services Fund (#00000545-0) – Accounts for financial services, including accounting, treasury, contracts, and procurement services provided to King County and other contracting agencies.

Office of Information Resource Management Operating Fund (#00000547-0) – Accounts for the activities relating to the operations of the Office of Information Resource Management Division, including county-wide information technology strategic planning and project management oversight.

Information and Telecommunications Services Fund (#00000553-0) – The fund consists of two sub-funds that account for data processing (# 553-1) and telecommunications (# 553-2) services provided to King County and other contracting agencies. The Data Processing Services sub-fund is responsible for data network, application development, data center operation, data base, internet access, help desk and broadband carrier transport (I-Net) services for King County and other contracting agencies. The Telecommunications Services sub-fund is responsible for managing desktop and wireless telephony services for all county agencies. This includes billing and inventory maintenance for telephone systems, management of calling card and long distance services, and providing consulting services on a time-available basis to county telephone users.

Insurance Fund (#00000552-0) – Accounts for the activities of the Office of Risk Management, which includes performing risk analysis, evaluating alternatives and purchasing insurance, adjusting claims, and recommending policies and practices to reduce potential liabilities and ensure the adequacy of insurance coverage for King County departments.

Geographic Information Systems Fund (#00000548-1) – Accounts for the activities required to operate, maintain, and enhance the automated geographic information systems that serve both King County agencies and external customers.

Motor Pool Equipment Rental Fund (#00000558-0) – Accounts for the purchase and maintenance of a fleet of vehicles for use by county agencies.

Printing/Graphic Arts Services Fund (#00000560-0) – Accounts for printing, graphic arts, and duplicating services.

Public Works Equipment Rental Fund (#00000557-0) – Accounts for the purchase and maintenance of equipment and materials primarily used by the Roads Division for road maintenance and repair.

Safety and Workers' Compensation Fund (#00000542-0) – Accounts for the administration of an employee safety and training program designed to provide a safe and healthful workplace, as required by the Washington Industrial Safety and Health Act of 1973, and accounts for King County's self-insured worker compensation system as certified under Title 51 Revised Code of Washington (RCW), Industrial Insurance Act.

Transit Nonrevenue Vehicle (NRV) Equipment Rental Fund (#00000543-0) – Accounts for the purchase and maintenance of a fleet of non-revenue vehicles for use by Transit. The fund is closed as of 12/31/2002.

Wastewater Equipment Rental Fund (#00000544-0) – Accounts for the purchase and maintenance of a fleet of equipment and vehicles for use by Wastewater Treatment Division and Water and Land Resources.

KING COUNTY, WASHINGTON

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2002
(PAGE 1 OF 4)

	GOVERNMENTAL ACTIVITIES			
	CONSTRUCTION & FACILITIES MANAGEMENT	EMPLOYEE BENEFITS PROGRAM	FINANCIAL MANAGEMENT SERVICES	INFORMATION RESOURCE MANAGEMENT
ASSETS				
Current assets				
Cash and cash equivalents	\$ 4,155,768	\$ 12,424,165	\$ 5,568,896	\$ 583,516
Investments	-	-	-	-
Accounts receivable	18,860	335,866	-	-
Estimated uncollectible accounts receivable	(1,251)	-	-	-
Interest receivable	-	-	-	-
Due from other funds	936,529	-	20,789	-
Due from other governments	-	-	38,912	-
Estimated uncollectible due from other governments	-	-	-	-
Inventory of supplies	224,124	-	-	-
Prepayments	-	342,950	67,134	-
Total current assets	<u>5,334,030</u>	<u>13,102,981</u>	<u>5,695,731</u>	<u>583,516</u>
Capital assets				
Improvements other than buildings	525,000	-	615,855	-
Accumulated depreciation	(143,500)	-	(200,404)	-
Rental equipment	-	-	-	-
Accumulated depreciation	-	-	-	-
Furniture, machinery and equipment	2,150,059	245,443	3,135,459	31,580
Accumulated depreciation	(1,516,740)	(219,071)	(2,325,188)	(16,512)
Data processing equipment	-	-	-	-
Accumulated depreciation	-	-	-	-
Telecommunication equipment	-	-	-	-
Accumulated depreciation	-	-	-	-
Work in progress	996,539	-	-	20,702
Total capital assets	<u>2,011,358</u>	<u>26,372</u>	<u>1,225,722</u>	<u>35,770</u>
TOTAL ASSETS	<u>7,345,388</u>	<u>13,129,353</u>	<u>6,921,453</u>	<u>619,286</u>
LIABILITIES				
Current liabilities				
Accounts payable	932,383	992,455	562,453	39,612
Estimated claims settlements	-	11,127,133	-	-
Due to other funds	652,290	48,120	43,679	1,563
Interest payable	13,322	-	-	-
Wages payable	693,588	109,294	543,457	38,044
Taxes payable	7,539	-	236	-
Deferred revenues	4,125	589,186	-	-
Obligations under reverse repurchase agreements	-	-	-	-
General obligation bonds payable	140,000	-	-	-
Assessments payable	14,895	-	-	-
Other liabilities	-	-	34	-
Total current liabilities	<u>2,458,142</u>	<u>12,866,188</u>	<u>1,149,859</u>	<u>79,219</u>
Long-term liabilities				
General obligation bonds payable	1,200,000	-	-	-
Compensated absences payable	2,057,988	306,448	2,051,610	132,665
Assessments payable	119,163	-	-	-
Estimated claims settlements	-	-	-	-
Total long-term liabilities	<u>3,377,151</u>	<u>306,448</u>	<u>2,051,610</u>	<u>132,665</u>
TOTAL LIABILITIES	<u>5,835,293</u>	<u>13,172,636</u>	<u>3,201,469</u>	<u>211,884</u>
NET ASSETS				
Invested in capital assets, net of related debts	671,358	26,372	1,225,722	35,770
Unrestricted	838,737	(69,655)	2,494,262	371,632
TOTAL NET ASSETS	<u>\$ 1,510,095</u>	<u>\$ (43,283)</u>	<u>\$ 3,719,984</u>	<u>\$ 407,402</u>

KING COUNTY, WASHINGTON

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2002
(PAGE 2 OF 4)

	GOVERNMENTAL ACTIVITIES			
	INFORMATION & TELECOMMUNICATIONS SERVICES	INSURANCE	GEOGRAPHIC INFORMATION SYSTEMS	MOTOR POOL EQUIPMENT RENTAL
ASSETS				
Current assets				
Cash and cash equivalents	\$ 8,013,474	\$ 74,549,113	\$ 707,218	\$ 11,556,893
Investments	-	-	-	-
Accounts receivable	86,175	681,708	-	-
Estimated uncollectible accounts receivable	(4,724)	-	-	-
Interest receivable	-	-	-	-
Due from other funds	920,028	-	104,213	94,777
Due from other governments	55,454	-	-	-
Estimated uncollectible due from other governments	(26,792)	-	-	-
Inventory of supplies	-	-	-	49,908
Prepayments	-	3,728,893	-	-
Total current assets	<u>9,043,615</u>	<u>78,959,714</u>	<u>811,431</u>	<u>11,701,578</u>
Capital assets				
Improvements other than buildings	-	-	-	38,721
Accumulated depreciation	-	-	-	(24,897)
Rental equipment	-	-	-	27,438,853
Accumulated depreciation	-	-	-	(18,162,029)
Furniture, machinery and equipment	595,893	108,397	190,015	633,204
Accumulated depreciation	(455,849)	(105,822)	(119,238)	(551,729)
Data processing equipment	11,690,383	-	-	-
Accumulated depreciation	(8,253,751)	-	-	-
Telecommunication equipment	1,509,010	-	-	-
Accumulated depreciation	(1,177,284)	-	-	-
Work in progress	1,879,826	-	-	-
Total capital assets	<u>5,788,228</u>	<u>2,575</u>	<u>70,777</u>	<u>9,372,123</u>
TOTAL ASSETS	<u>14,831,843</u>	<u>78,962,289</u>	<u>882,208</u>	<u>21,073,701</u>
LIABILITIES				
Current liabilities				
Accounts payable	1,192,222	414,943	6,291	116,713
Estimated claims settlements	-	43,247,000	-	-
Due to other funds	1,118,279	-	35,952	87,821
Interest payable	89,354	-	-	-
Wages payable	573,800	33,165	105,717	46,718
Taxes payable	4,916	-	64	-
Deferred revenues	-	-	-	-
Obligations under reverse repurchase agreements	-	1,202,213	-	-
General obligation bonds payable	1,030,000	-	-	-
Assessments payable	-	-	-	-
Other liabilities	13,738	-	-	-
Total current liabilities	<u>4,022,309</u>	<u>44,897,321</u>	<u>148,024</u>	<u>251,252</u>
Long-term liabilities				
General obligation bonds payable	3,140,000	-	-	-
Compensated absences payable	1,913,697	93,567	169,843	131,892
Assessments payable	-	-	-	-
Estimated claims settlements	-	-	-	-
Total long-term liabilities	<u>5,053,697</u>	<u>93,567</u>	<u>169,843</u>	<u>131,892</u>
TOTAL LIABILITIES	<u>9,076,006</u>	<u>44,990,888</u>	<u>317,867</u>	<u>383,144</u>
NET ASSETS				
Invested in capital assets, net of related debts	1,618,228	2,575	70,777	9,372,123
Unrestricted	4,137,609	33,968,826	493,564	11,318,434
TOTAL NET ASSETS	<u>\$ 5,755,837</u>	<u>\$ 33,971,401</u>	<u>\$ 564,341</u>	<u>\$ 20,690,557</u>

KING COUNTY, WASHINGTON

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2002
(PAGE 3 OF 4)

	GOVERNMENTAL ACTIVITIES			
	PRINTING/ GRAPHIC ARTS SERVICES	PUBLIC WORKS EQUIPMENT RENTAL	SAFETY & WORKERS' COMPENSATION	GOVERNMENTAL ACTIVITIES TOTAL
ASSETS				
Current assets				
Cash and cash equivalents	\$ 473,945	\$ 11,418,846	\$ 7,815,862	\$ 137,267,696
Investments	-	-	111,371	111,371
Accounts receivable	-	-	592,270	1,714,879
Estimated uncollectible accounts receivable	-	-	-	(5,975)
Interest receivable	-	-	40	40
Due from other funds	136,796	147,720	393,467	2,754,319
Due from other governments	-	-	317,800	412,166
Estimated uncollectible due from other governments	-	-	-	(26,792)
Inventory of supplies	-	1,114,128	-	1,388,160
Prepayments	-	-	-	4,138,977
Total current assets	610,741	12,680,694	9,230,810	147,754,841
Capital assets				
Improvements other than buildings	-	9,573	-	1,189,149
Accumulated depreciation	-	(9,573)	-	(378,374)
Rental equipment	-	22,836,849	-	50,275,702
Accumulated depreciation	-	(13,273,569)	-	(31,435,598)
Furniture, machinery and equipment	769,001	1,376,080	254,114	9,489,245
Accumulated depreciation	(515,744)	(1,139,660)	(146,913)	(7,112,466)
Data processing equipment	-	-	-	11,690,383
Accumulated depreciation	-	-	-	(8,253,751)
Telecommunication equipment	-	-	-	1,509,010
Accumulated depreciation	-	-	-	(1,177,284)
Work in progress	-	-	-	2,897,067
Total capital assets	253,257	9,799,700	107,201	28,693,083
TOTAL ASSETS	863,998	22,480,394	9,338,011	176,447,924
LIABILITIES				
Current liabilities				
Accounts payable	62,274	394,430	857,400	5,571,176
Estimated claims settlements	-	-	9,582,000	63,956,133
Due to other funds	-	66,682	40,744	2,095,130
Interest payable	-	-	-	102,676
Wages payable	57,893	129,252	64,856	2,395,784
Taxes payable	-	-	-	12,755
Deferred revenues	-	-	-	593,311
Obligations under reverse repurchase agreements	-	-	130,478	1,332,691
General obligation bonds payable	-	-	-	1,170,000
Assessments payable	-	-	-	14,895
Other liabilities	-	-	-	13,772
Total current liabilities	120,167	590,364	10,675,478	77,258,323
Long-term liabilities				
General obligation bonds payable	-	-	-	4,340,000
Compensated absences payable	270,333	607,920	166,199	7,902,162
Assessments payable	-	-	-	119,163
Estimated claims settlements	-	-	6,388,000	6,388,000
Total long-term liabilities	270,333	607,920	6,554,199	18,749,325
TOTAL LIABILITIES	390,500	1,198,284	17,229,677	96,007,648
NET ASSETS				
Invested in capital assets, net of related debts	253,257	9,799,700	107,201	23,183,083
Unrestricted	220,241	11,482,410	(7,998,867)	57,257,193
TOTAL NET ASSETS	\$ 473,498	\$ 21,282,110	\$ (7,891,666)	\$ 80,440,276

KING COUNTY, WASHINGTON

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
DECEMBER 31, 2002
(PAGE 4 OF 4)

	BUSINESS ACTIVITIES			
	TRANSIT NRV EQUIPMENT RENTAL	WASTEWATER EQUIPMENT RENTAL	BUSINESS ACTIVITIES TOTAL	INTERNAL SERVICE FUNDS TOTAL
ASSETS				
Current assets				
Cash and cash equivalents	\$ -	\$ 3,769,784	\$ 3,769,784	\$ 141,037,480
Investments	-	-	-	111,371
Accounts receivable	-	-	-	1,714,879
Estimated uncollectible accounts receivable	-	-	-	(5,975)
Interest receivable	-	-	-	40
Due from other funds	-	93,904	93,904	2,848,223
Due from other governments	-	-	-	412,166
Estimated uncollectible due from other governments	-	-	-	(26,792)
Inventory of supplies	-	1,518	1,518	1,389,678
Prepayments	-	-	-	4,138,977
Total current assets	<u>-0-</u>	<u>3,865,206</u>	<u>3,865,206</u>	<u>151,620,047</u>
Capital assets				
Improvements other than buildings	-	-	-	1,189,149
Accumulated depreciation	-	-	-	(378,374)
Rental equipment	-	9,303,567	9,303,567	59,579,269
Accumulated depreciation	-	(7,625,138)	(7,625,138)	(39,060,736)
Furniture, machinery and equipment	-	299,811	299,811	9,789,056
Accumulated depreciation	-	(126,160)	(126,160)	(7,238,626)
Data processing equipment	-	-	-	11,690,383
Accumulated depreciation	-	-	-	(8,253,751)
Telecommunication equipment	-	-	-	1,509,010
Accumulated depreciation	-	-	-	(1,177,284)
Work in progress	-	-	-	2,897,067
Total capital assets	<u>-0-</u>	<u>1,852,080</u>	<u>1,852,080</u>	<u>30,545,163</u>
TOTAL ASSETS	<u>-0-</u>	<u>5,717,286</u>	<u>5,717,286</u>	<u>182,165,210</u>
LIABILITIES				
Current liabilities				
Accounts payable	-	9,133	9,133	5,580,309
Estimated claims settlements	-	-	-	63,956,133
Due to other funds	-	65,186	65,186	2,160,316
Interest payable	-	-	-	102,676
Wages payable	-	-	-	2,395,784
Taxes payable	-	-	-	12,755
Deferred revenues	-	-	-	593,311
Obligations under reverse repurchase agreements	-	-	-	1,332,691
General obligation bonds payable	-	-	-	1,170,000
Assessments payable	-	-	-	14,895
Other liabilities	-	-	-	13,772
Total current liabilities	<u>-0-</u>	<u>74,319</u>	<u>74,319</u>	<u>77,332,642</u>
Long-term liabilities				
General obligation bonds payable	-	-	-	4,340,000
Compensated absences payable	-	-	-	7,902,162
Assessments payable	-	-	-	119,163
Estimated claims settlements	-	-	-	6,388,000
Total long-term liabilities	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>18,749,325</u>
TOTAL LIABILITIES	<u>-0-</u>	<u>74,319</u>	<u>74,319</u>	<u>96,081,967</u>
NET ASSETS				
Invested in capital assets, net of related debts	-	1,852,080	1,852,080	25,035,163
Unrestricted	-	3,790,887	3,790,887	61,048,080
TOTAL NET ASSETS	<u>\$ -0-</u>	<u>\$ 5,642,967</u>	<u>\$ 5,642,967</u>	<u>\$ 86,083,243</u>

KING COUNTY, WASHINGTON

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(PAGE 1 OF 4)

	GOVERNMENTAL ACTIVITIES			
	CONSTRUCTION & FACILITIES MANAGEMENT	EMPLOYEE BENEFITS PROGRAM	FINANCIAL MANAGEMENT SERVICES	INFORMATION RESOURCE MANAGEMENT
OPERATING REVENUES				
Profit on stores sales				
Sales of stores and material	\$ -	\$ -	\$ -	\$ -
Cost of goods sold	-	-	-	-
Gross profit on stores sales	-	-	-	-
Data processing services - intracounty	-	-	-	-
Data processing services - other	-	-	-	-
Telecommunication services	-	-	-	-
Information resources management fees	-	-	-	1,198,799
Geographic information systems fees	-	-	-	-
Building operation and maintenance service fees	22,856,959	-	-	-
Architect/engineering/renovation service fees	7,122,844	-	-	-
Benefit program employer contributions	-	123,770,652	-	-
Benefit program employee fees	-	4,460,368	-	-
Financial services	-	-	23,415,145	-
Insurance services	-	-	-	-
Equipment rental fees	-	-	-	-
Garage shop services	-	-	-	-
Printing and duplication	-	-	-	-
Workers' compensation employer contributions	-	-	-	-
Miscellaneous	-	-	9,511	-
Total operating revenues	29,979,803	128,231,020	23,424,656	1,198,799
OPERATING EXPENSES				
Personal services	17,439,916	2,252,121	12,737,183	786,019
Materials and supplies	1,332,170	22,717	317,699	6,615
Contract services and other charges	8,203,871	122,223,038	3,242,664	255,707
Lease and maintenance of equipment	133,278	7,391	85,934	-
Internal services	2,329,589	377,750	5,823,900	143,071
Depreciation	245,698	12,101	492,601	8,820
Total operating expenses	29,684,522	124,895,118	22,699,981	1,200,232
OPERATING INCOME (LOSS)	295,281	3,335,902	724,675	(1,433)
NONOPERATING REVENUES				
Interest	260,715	327,948	564,563	23,221
Gain (loss) on disposal of capital assets	(2,019)	(2,357)	-	-
Total nonoperating revenues	258,696	325,591	564,563	23,221
NONOPERATING EXPENSES				
Interest	67,530	-	1,854	-
Income (loss) before contributions and transfers	486,447	3,661,493	1,287,384	21,788
Capital Contributions	10,196	-	6,615	-
Transfers in	137,826	439	24,491	-
Transfers out	(1,010,585)	-	(79,828)	-
CHANGE IN NET ASSETS	(376,116)	3,661,932	1,238,662	21,788
NET ASSETS - JANUARY 1, 2002	1,886,211	(3,705,215)	2,481,322	385,614
NET ASSETS - DECEMBER 31, 2002	\$ 1,510,095	\$ (43,283)	\$ 3,719,984	\$ 407,402

KING COUNTY, WASHINGTON

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(PAGE 2 OF 4)

	GOVERNMENTAL ACTIVITIES			
	INFORMATION & TELECOMMUNICATIONS SERVICES	INSURANCE	GEOGRAPHIC INFORMATION SYSTEMS	MOTOR POOL EQUIPMENT RENTAL
OPERATING REVENUES				
Profit on stores sales				
Sales of stores and material	\$ -	\$ -	\$ -	\$ 1,475,004
Cost of goods sold	-	-	-	(1,222,502)
Gross profit on stores sales	-	-	-	252,502
Data processing services - intracounty	20,767,384	-	-	-
Data processing services - other	491,254	-	-	-
Telecommunication services	2,026,559	-	-	-
Information resources management fees	-	-	-	-
Geographic information systems fees	-	-	2,837,723	-
Building operation and maintenance service fees	-	-	-	-
Architect/engineering/renovation service fees	-	-	-	-
Benefit program employer contributions	-	-	-	-
Benefit program employee fees	-	-	-	-
Financial services	-	-	-	-
Insurance services	-	17,314,256	-	-
Equipment rental fees	-	-	-	8,617,083
Garage shop services	-	-	-	20,063
Printing and duplication	-	-	-	-
Workers' compensation employer contributions	-	-	-	-
Miscellaneous	39,613	15,606	-	83,947
Total operating revenues	23,324,810	17,329,862	2,837,723	8,973,595
OPERATING EXPENSES				
Personal services	11,458,193	968,314	2,147,735	1,423,550
Materials and supplies	1,604,641	11,910	23,052	1,949,748
Contract services and other charges	4,810,984	9,823,067	80,278	170,899
Lease and maintenance of equipment	858,582	55,402	-	248,129
Internal services	2,247,671	2,179,933	282,507	703,453
Depreciation	1,403,710	13,108	27,613	3,237,429
Total operating expenses	22,383,781	13,051,734	2,561,185	7,733,208
OPERATING INCOME (LOSS)	941,029	4,278,128	276,538	1,240,387
NONOPERATING REVENUES				
Interest	-	2,625,637	-	371,098
Gain (loss) on disposal of capital assets	(6,212)	-	-	(153,427)
Total nonoperating revenues	(6,212)	2,625,637	-0-	217,671
NONOPERATING EXPENSES				
Interest	194,926	-	-	-
Income (loss) before contributions and transfers	739,891	6,903,765	276,538	1,458,058
Capital Contributions	-	-	34,923	122,962
Transfers in	991,477	-	252,880	-
Transfers out	(1,300,489)	-	-	(291,000)
CHANGE IN NET ASSETS	430,879	6,903,765	564,341	1,290,020
NET ASSETS - JANUARY 1, 2002	5,324,958	27,067,636	-	19,400,537
NET ASSETS - DECEMBER 31, 2002	\$ 5,755,837	\$ 33,971,401	\$ 564,341	\$ 20,690,557

KING COUNTY, WASHINGTON

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(PAGE 3 OF 4)

	GOVERNMENTAL ACTIVITIES			
	PRINTING/ GRAPHIC ARTS SERVICES	PUBLIC WORKS EQUIPMENT RENTAL	SAFETY & WORKERS' COMPENSATION	GOVERNMENTAL ACTIVITIES TOTAL
OPERATING REVENUES				
Profit on stores sales				
Sales of stores and material	\$ -	\$ 3,666,300	\$ -	\$ 5,141,304
Cost of goods sold	-	<u>(3,051,647)</u>	-	<u>(4,274,149)</u>
Gross profit on stores sales	-	614,653	-	867,155
Data processing services - intracounty	-	-	-	20,767,384
Data processing services - other	-	-	-	491,254
Telecommunication services	-	-	-	2,026,559
Information resources management fees	-	-	-	1,198,799
Geographic information systems fees	-	-	-	2,837,723
Building operation and maintenance service fees	-	-	-	22,856,959
Architect/engineering/renovation service fees	-	-	-	7,122,844
Benefit program employer contributions	-	-	-	123,770,652
Benefit program employee fees	-	-	-	4,460,368
Financial services	-	-	-	23,415,145
Insurance services	-	-	-	17,314,256
Equipment rental fees	-	6,675,676	-	15,292,759
Garage shop services	-	144,512	-	164,575
Printing and duplication	3,001,595	-	-	3,001,595
Workers' compensation employer contributions	-	-	17,887,428	17,887,428
Miscellaneous	7,750	59,270	-	215,697
Total operating revenues	<u>3,009,345</u>	<u>7,494,111</u>	<u>17,887,428</u>	<u>263,691,152</u>
OPERATING EXPENSES				
Personal services	1,254,883	2,567,180	2,959,954	55,995,048
Materials and supplies	506,311	1,591,780	43,943	7,410,586
Contract services and other charges	473,308	185,523	18,161,093	167,630,432
Lease and maintenance of equipment	323,017	158,827	12,855	1,883,415
Internal services	647,513	767,649	684,563	16,187,599
Depreciation	21,899	2,162,170	27,562	7,652,711
Total operating expenses	<u>3,226,931</u>	<u>7,433,129</u>	<u>21,889,970</u>	<u>256,759,791</u>
OPERATING INCOME (LOSS)	<u>(217,586)</u>	<u>60,982</u>	<u>(4,002,542)</u>	<u>6,931,361</u>
NONOPERATING REVENUES				
Interest	18,187	361,159	308,097	4,860,625
Gain (loss) on disposal of capital assets	-	155,369	-	(8,646)
Total nonoperating revenues	<u>18,187</u>	<u>516,528</u>	<u>308,097</u>	<u>4,851,979</u>
NONOPERATING EXPENSES				
Interest	-	-	-	264,310
Income (loss) before contributions and transfers	(199,399)	577,510	(3,694,445)	11,519,030
Capital Contributions	-	143,177	-	317,873
Transfers in	-	-	-	1,407,113
Transfers out	-	-	-	(2,681,902)
CHANGE IN NET ASSETS	<u>(199,399)</u>	<u>720,687</u>	<u>(3,694,445)</u>	<u>10,562,114</u>
NET ASSETS - JANUARY 1, 2002	<u>672,897</u>	<u>20,561,423</u>	<u>(4,197,221)</u>	<u>69,878,162</u>
NET ASSETS - DECEMBER 31, 2002	<u>\$ 473,498</u>	<u>\$ 21,282,110</u>	<u>\$ (7,891,666)</u>	<u>\$ 80,440,276</u>

KING COUNTY, WASHINGTON

COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(PAGE 4 OF 4)

	BUSINESS ACTIVITIES			
	TRANSIT NRV EQUIPMENT RENTAL	WASTEWATER EQUIPMENT RENTAL	BUSINESS ACTIVITIES TOTAL	INTERNAL SERVICE FUNDS TOTAL
OPERATING REVENUES				
Profit on stores sales				
Sales of stores and material	\$ -	\$ 125,337	\$ 125,337	\$ 5,266,641
Cost of goods sold	-	(111,751)	(111,751)	(4,385,900)
Gross profit on stores sales	-	13,586	13,586	880,741
Data processing services - intracounty	-	-	-	20,767,384
Data processing services - other	-	-	-	491,254
Telecommunication services	-	-	-	2,026,559
Information resources management fees	-	-	-	1,198,799
Geographic information systems fees	-	-	-	2,837,723
Building operation and maintenance service fees	-	-	-	22,856,959
Architect/engineering/renovation service fees	-	-	-	7,122,844
Benefit program employer contributions	-	-	-	123,770,652
Benefit program employee fees	-	-	-	4,460,368
Financial services	-	-	-	23,415,145
Insurance services	-	-	-	17,314,256
Equipment rental fees	-	1,604,088	1,604,088	16,896,847
Garage shop services	-	-	-	164,575
Printing and duplication	-	-	-	3,001,595
Workers' compensation employer contributions	-	-	-	17,887,428
Miscellaneous	7,457	2,342	9,799	225,496
Total operating revenues	<u>7,457</u>	<u>1,620,016</u>	<u>1,627,473</u>	<u>265,318,625</u>
OPERATING EXPENSES				
Personal services	-	157,704	157,704	56,152,752
Materials and supplies	-	155,390	155,390	7,565,976
Contract services and other charges	-	7,442	7,442	167,637,874
Lease and maintenance of equipment	-	27,857	27,857	1,911,272
Internal services	-	147,420	147,420	16,335,019
Depreciation	-	360,386	360,386	8,013,097
Total operating expenses	<u>-0-</u>	<u>856,199</u>	<u>856,199</u>	<u>257,615,990</u>
OPERATING INCOME (LOSS)	<u>7,457</u>	<u>763,817</u>	<u>771,274</u>	<u>7,702,635</u>
NONOPERATING REVENUES				
Interest	184,076	117,574	301,650	5,162,275
Gain (loss) on disposal of capital assets	-	(12,779)	(12,779)	(21,425)
Total nonoperating revenues	<u>184,076</u>	<u>104,795</u>	<u>288,871</u>	<u>5,140,850</u>
NONOPERATING EXPENSES				
Interest	-	-	-	264,310
Income (loss) before contributions and transfers	191,533	868,612	1,060,145	12,579,175
Capital Contributions	-	320,856	320,856	638,729
Transfers in	-	-	-	1,407,113
Transfers out	(8,397,303)	-	(8,397,303)	(11,079,205)
CHANGE IN NET ASSETS	<u>(8,205,770)</u>	<u>1,189,468</u>	<u>(7,016,302)</u>	<u>3,545,812</u>
NET ASSETS - JANUARY 1, 2002	<u>8,205,770</u>	<u>4,453,499</u>	<u>12,659,269</u>	<u>82,537,431</u>
NET ASSETS - DECEMBER 31, 2002	<u>\$ -0-</u>	<u>\$ 5,642,967</u>	<u>\$ 5,642,967</u>	<u>\$ 86,083,243</u>

KING COUNTY, WASHINGTON

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(PAGE 1 OF 4)

	GOVERNMENTAL ACTIVITIES			
	CONSTRUCTION & FACILITIES MANAGEMENT	EMPLOYEE BENEFITS PROGRAM	FINANCIAL MANAGEMENT SERVICES	INFORMATION RESOURCE MANAGEMENT
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from users	\$ 29,672,436	\$ 129,578,535	\$ 24,078,763	\$ 1,198,799
Cash payments to suppliers for goods and services	(11,295,517)	(126,324,775)	(9,938,702)	(487,042)
Cash payments for employee services	(17,339,395)	(2,242,061)	(12,686,187)	(760,942)
Other operating revenues	-	-	9,511	-
Net cash provided (used) by operating activities	<u>1,037,524</u>	<u>1,011,699</u>	<u>1,463,385</u>	<u>(49,185)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Interest paid on short-term loans	-	-	(1,854)	-
Transfers in	137,826	439	24,491	-
Transfers out	(1,010,585)	-	(79,828)	-
Net cash provided (used) by noncapital financing activities	<u>(872,759)</u>	<u>439</u>	<u>(57,191)</u>	<u>-0-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of assets	(781,838)	(14,107)	(267,452)	(20,702)
Principal paid on general obligation bonds	(130,000)	-	-	-
Interest paid on general obligation bonds	(72,115)	-	-	-
Principal paid on equipment contracts	-	-	-	-
Interest paid on equipment contracts	-	-	-	-
Principal paid on assessment	(14,898)	-	-	-
Proceeds from disposal of capital assets	-	-	-	-
Net cash used by capital and related financing activities	<u>(998,851)</u>	<u>(14,107)</u>	<u>(267,452)</u>	<u>(20,702)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Increase in allocation of pooled reverse repurchase agreement	-	-	-	-
Interest on investments (Including unrealized gains/losses reported as Cash and cash equivalents)	260,715	327,948	564,563	23,221
Net cash provided by investing activities	<u>260,715</u>	<u>327,948</u>	<u>564,563</u>	<u>23,221</u>
NET CASH INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(573,371)	1,325,979	1,703,305	(46,666)
CASH AND CASH EQUIVALENTS - JANUARY 1, 2002	<u>4,729,139</u>	<u>11,098,186</u>	<u>3,865,591</u>	<u>630,182</u>
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2002	<u>\$ 4,155,768</u>	<u>\$ 12,424,165</u>	<u>\$ 5,568,896</u>	<u>\$ 583,516</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 295,281	\$ 3,335,902	\$ 724,675	\$ (1,433)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Depreciation	245,698	12,101	492,601	8,820
Change in assets - (increase) decrease				
Accounts receivable, net	19,144	97,865	-	-
Due from other funds	(332,390)	1,200,051	667,327	-
Due from other governments, net	1,754	-	(3,709)	-
Inventory of supplies	16,511	-	-	-
Prepayments	-	(220,950)	(67,134)	-
Change in liabilities - increase (decrease):				
Accounts payable	57,024	(3,860,639)	19,079	39,612
Retainage payable	-	(25,550)	-	-
Estimated claims settlements	-	365,140	-	-
Due to other funds	636,201	48,120	(420,505)	(121,261)
Wages payable	48,957	(26,416)	(132,053)	2,226
Taxes payable	(6,345)	-	21	-
Deferred revenues	4,125	49,599	-	-
Other liabilities	-	-	34	-
Compensated absences	51,564	36,476	183,049	22,851
Total adjustments	<u>742,243</u>	<u>(2,324,203)</u>	<u>738,710</u>	<u>(47,752)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 1,037,524</u>	<u>\$ 1,011,699</u>	<u>\$ 1,463,385</u>	<u>\$ (49,185)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Contributions of capital assets from government	\$ 10,196	\$ -	\$ 6,615	\$ -

KING COUNTY, WASHINGTON

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(PAGE 2 OF 4)

	GOVERNMENTAL ACTIVITIES			
	INFORMATION & TELECOMMUNICATIONS SERVICES	INSURANCE	GEOGRAPHIC INFORMATION SYSTEMS	MOTOR POOL EQUIPMENT RENTAL
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from users	\$ 23,270,028	\$ 17,750,888	\$ 2,733,510	\$ 10,107,761
Cash payments to suppliers for goods and services	(8,380,341)	(16,937,833)	(343,530)	(5,854,640)
Cash payments for employee services	(11,305,267)	(974,892)	(1,872,175)	(1,409,811)
Other operating revenues	39,613	15,606	-	83,947
Net cash provided (used) by operating activities	<u>3,624,033</u>	<u>(146,231)</u>	<u>517,805</u>	<u>2,927,257</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Interest paid on short-term loans	-	-	-	-
Transfers in	991,477	-	252,880	-
Transfers out	(1,265,566)	-	-	(291,000)
Net cash provided (used) by noncapital financing activities	<u>(274,089)</u>	<u>-0-</u>	<u>252,880</u>	<u>(291,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of assets	(387,984)	-	(63,467)	(1,842,808)
Principal paid on general obligation bonds	(985,000)	-	-	-
Interest paid on general obligation bonds	(236,250)	-	-	-
Principal paid on equipment contracts	(122,564)	-	-	-
Interest paid on equipment contracts	(1,072)	-	-	-
Principal paid on assessment	-	-	-	-
Proceeds from disposal of capital assets	626	-	-	172,271
Net cash used by capital and related financing activities	<u>(1,732,244)</u>	<u>-0-</u>	<u>(63,467)</u>	<u>(1,670,537)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Increase in allocation of pooled reverse repurchase agreement	-	(338,996)	-	-
Interest on investments (Including unrealized gains/losses reported as Cash and cash equivalents)	-	2,625,637	-	371,098
Net cash provided by investing activities	<u>-0-</u>	<u>2,286,641</u>	<u>-0-</u>	<u>371,098</u>
NET CASH INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,617,700	2,140,410	707,218	1,336,818
CASH AND CASH EQUIVALENTS - JANUARY 1, 2002	<u>6,395,774</u>	<u>72,408,703</u>	<u>-</u>	<u>10,220,075</u>
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2002	<u>\$ 8,013,474</u>	<u>\$ 74,549,113</u>	<u>\$ 707,218</u>	<u>\$ 11,556,893</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 941,029	\$ 4,278,128	\$ 276,538	\$ 1,240,387
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Depreciation	1,403,710	13,108	27,613	3,237,429
Change in assets - (increase) decrease				
Accounts receivable, net	78,881	(12,076)	-	-
Due from other funds	(182,883)	448,708	(104,213)	(7,627)
Due from other governments, net	89,715	-	-	3,238
Inventory of supplies	-	-	-	7,512
Prepayments	27,775	(1,652,888)	-	-
Change in liabilities - increase (decrease):				
Accounts payable	108,928	(271,236)	6,291	(97,944)
Retainage payable	-	-	-	-
Estimated claims settlements	-	(2,943,229)	-	-
Due to other funds	1,013,557	(168)	35,952	(1,469,477)
Wages payable	28,418	1,275	105,717	(1,252)
Taxes payable	3,617	-	64	-
Deferred revenues	-	-	-	-
Other liabilities	(13,222)	-	-	-
Compensated absences	124,508	(7,853)	169,843	14,991
Total adjustments	<u>2,683,004</u>	<u>(4,424,359)</u>	<u>241,267</u>	<u>1,686,870</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 3,624,033</u>	<u>\$ (146,231)</u>	<u>\$ 517,805</u>	<u>\$ 2,927,257</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Contributions of capital assets from government	\$ -	\$ -	\$ 34,923	\$ 122,962

KING COUNTY, WASHINGTON

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(PAGE 3 OF 4)

	GOVERNMENTAL ACTIVITIES			
	PRINTING/ GRAPHIC ARTS SERVICES	PUBLIC WORKS EQUIPMENT RENTAL	SAFETY & WORKERS' COMPENSATION	GOVERNMENTAL ACTIVITIES TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from users	\$ 3,018,706	\$ 10,891,456	\$ 17,546,693	\$ 269,847,575
Cash payments to suppliers for goods and services	(2,057,692)	(5,757,728)	(15,727,956)	(203,105,756)
Cash payments for employee services	(1,266,680)	(2,459,302)	(2,937,511)	(55,254,223)
Other operating revenues	7,750	59,270	-	215,697
Net cash provided (used) by operating activities	<u>(297,916)</u>	<u>2,733,696</u>	<u>(1,118,774)</u>	<u>11,703,293</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Interest paid on short-term loans	-	-	-	(1,854)
Transfers in	-	-	-	1,407,113
Transfers out	-	-	-	(2,646,979)
Net cash provided (used) by noncapital financing activities	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(1,241,720)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of assets	(89,619)	(1,645,261)	(80,609)	(5,193,847)
Principal paid on general obligation bonds	-	-	-	(1,115,000)
Interest paid on general obligation bonds	-	-	-	(308,365)
Principal paid on equipment contracts	-	-	-	(122,564)
Interest paid on equipment contracts	-	-	-	(1,072)
Principal paid on assessment	-	-	-	(14,898)
Proceeds from disposal of capital assets	-	422,098	-	594,995
Net cash used by capital and related financing activities	<u>(89,619)</u>	<u>(1,223,163)</u>	<u>(80,609)</u>	<u>(6,160,751)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Increase in allocation of pooled reverse repurchase agreement	-	-	(59,615)	(398,611)
Interest on investments (Including unrealized gains/losses reported as Cash and cash equivalents)	18,187	361,159	308,362	4,860,890
Net cash provided by investing activities	<u>18,187</u>	<u>361,159</u>	<u>248,747</u>	<u>4,462,279</u>
NET CASH INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(369,348)	1,871,692	(950,636)	8,763,101
CASH AND CASH EQUIVALENTS - JANUARY 1, 2002	<u>843,293</u>	<u>9,547,154</u>	<u>8,766,498</u>	<u>128,504,595</u>
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2002	<u>\$ 473,945</u>	<u>\$ 11,418,846</u>	<u>\$ 7,815,862</u>	<u>\$ 137,267,696</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (217,586)	\$ 60,982	\$ (4,002,542)	\$ 6,931,361
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Depreciation	21,899	2,162,170	27,562	7,652,711
Change in assets - (increase) decrease				
Accounts receivable, net	-	-	(319,584)	(135,770)
Due from other funds	17,111	398,617	(21,151)	2,083,550
Due from other governments, net	-	6,351	-	97,349
Inventory of supplies	-	132,351	-	156,374
Prepayments	-	-	-	(1,913,197)
Change in liabilities - increase (decrease):				
Accounts payable	(105,428)	(180,598)	(116,466)	(4,401,377)
Retainage payable	-	-	-	(25,550)
Estimated claims settlements	-	-	3,470,000	891,911
Due to other funds	(2,115)	45,945	(179,036)	(412,787)
Wages payable	(93,201)	6,255	(15,715)	(75,789)
Taxes payable	-	-	-	(2,643)
Deferred revenues	-	-	-	53,724
Other liabilities	-	-	-	(13,188)
Compensated absences	81,404	101,623	38,158	816,614
Total adjustments	<u>(80,330)</u>	<u>2,672,714</u>	<u>2,883,768</u>	<u>4,771,932</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (297,916)</u>	<u>\$ 2,733,696</u>	<u>\$ (1,118,774)</u>	<u>\$ 11,703,293</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Contributions of capital assets from government	\$ -	\$ 143,177	\$ -	\$ 317,873

KING COUNTY, WASHINGTON

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2002
(PAGE 4 OF 4)

	BUSINESS ACTIVITIES			
	TRANSIT NRV EQUIPMENT RENTAL	WASTEWATER EQUIPMENT RENTAL	BUSINESS ACTIVITIES TOTAL	INTERNAL SERVICE FUNDS TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from users	\$ 21,950	\$ 1,636,074	\$ 1,658,024	\$ 271,505,599
Cash payments to suppliers for goods and services	14,349	(569,404)	(555,055)	(203,660,811)
Cash payments for employee services	(105,764)	(157,704)	(263,468)	(55,517,691)
Other operating revenues	7,457	2,342	9,799	225,496
Net cash provided (used) by operating activities	<u>(62,008)</u>	<u>911,308</u>	<u>849,300</u>	<u>12,552,593</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Interest paid on short-term loans	-	-	-	(1,854)
Transfers in	-	-	-	1,407,113
Transfers out	(5,098,160)	-	(5,098,160)	(7,745,139)
Net cash provided (used) by noncapital financing activities	<u>(5,098,160)</u>	<u>-0-</u>	<u>(5,098,160)</u>	<u>(6,339,880)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of assets	(567,114)	(329,302)	(896,416)	(6,090,263)
Principal paid on general obligation bonds	-	-	-	(1,115,000)
Interest paid on general obligation bonds	-	-	-	(308,365)
Principal paid on equipment contracts	-	-	-	(122,564)
Interest paid on equipment contracts	-	-	-	(1,072)
Principal paid on assessment	-	-	-	(14,898)
Proceeds from disposal of capital assets	-	12,280	12,280	607,275
Net cash used by capital and related financing activities	<u>(567,114)</u>	<u>(317,022)</u>	<u>(884,136)</u>	<u>(7,044,887)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Increase in allocation of pooled reverse repurchase agreement	-	-	-	(398,611)
Interest on investments (Including unrealized gains/losses reported as Cash and cash equivalents)	184,076	117,574	301,650	5,162,540
Net cash provided by investing activities	<u>184,076</u>	<u>117,574</u>	<u>301,650</u>	<u>4,763,929</u>
NET CASH INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(5,543,206)	711,860	(4,831,346)	3,931,755
CASH AND CASH EQUIVALENTS - JANUARY 1, 2002	5,543,206	3,057,924	8,601,130	137,105,725
CASH AND CASH EQUIVALENTS - DECEMBER 31, 2002	<u>\$ -0-</u>	<u>\$ 3,769,784</u>	<u>\$ 3,769,784</u>	<u>\$ 141,037,480</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ 7,457	\$ 763,817	\$ 771,274	\$ 7,702,635
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Depreciation	-	360,386	360,386	8,013,097
Change in assets - (increase) decrease				
Accounts receivable, net	-	-	-	(135,770)
Due from other funds	21,950	(93,904)	(71,954)	2,011,596
Due from other governments, net	-	553	553	97,902
Inventory of supplies	110,095	(672)	109,423	265,797
Prepayments	-	-	-	(1,913,197)
Change in liabilities - increase (decrease):				
Accounts payable	(24,334)	(99,505)	(123,839)	(4,525,216)
Retainage payable	-	-	-	(25,550)
Estimated claims settlements	-	-	-	891,911
Due to other funds	(71,412)	(19,367)	(90,779)	(503,566)
Wages payable	(30,045)	-	(30,045)	(105,834)
Taxes payable	-	-	-	(2,643)
Deferred revenues	-	-	-	53,724
Other liabilities	-	-	-	(13,188)
Compensated absences	(75,719)	-	(75,719)	740,895
Total adjustments	<u>(69,465)</u>	<u>147,491</u>	<u>78,026</u>	<u>4,849,958</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (62,008)</u>	<u>\$ 911,308</u>	<u>\$ 849,300</u>	<u>\$ 12,552,593</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:				
Contributions of capital assets from government	\$ -	\$ 320,856	\$ 320,856	\$ 638,729

KING COUNTY, WASHINGTON
INTERNAL SERVICE FUNDS WITH ANNUAL BUDGETS
SCHEDULE OF ANNUAL BUDGETS AND EXPENDITURES (BUDGETARY BASIS) AND ENCUMBRANCES BY APPROPRIATION UNIT^(a)
FOR THE YEAR ENDED DECEMBER 31, 2002

APPROPRIATION UNIT	BUDGET				ACTUAL		
	ORIGINAL	ADJUSTMENTS	FINAL	VARIANCE	TOTAL	2002 YEAR-END ENCUMBRANCES	EXPENDITURES
Construction and Facilities Management	\$ 33,243,551	\$ 19,500	\$ 33,263,051	\$ 2,980,261	\$ 30,282,790	\$ 477,312	\$ 29,805,478
Employee Benefits Program	120,050,248	4,702,248	124,752,496	252,868	124,499,628	4,119	124,495,509
Financial Management Services	24,769,630	(18,707)	24,750,923	1,424,409	23,326,514	965,743	22,360,771
Office of Information Resource Management	1,421,722	-	1,421,722	232,459	1,189,263	-	1,189,263
Information and Telecommunications Services							
Data Processing Services	22,628,831	607,218	23,236,049	1,458,657	21,777,392	262,012	21,515,380
Telecommunication Services	2,821,017	-	2,821,017	897,567	1,923,450	59,889	1,863,561
Total Information and Telecommunications Services	<u>25,449,848</u>	<u>607,218</u>	<u>26,057,066</u>	<u>2,356,224</u>	<u>23,700,842</u>	<u>321,901</u>	<u>23,378,941</u>
Insurance	21,931,044	30,000	21,961,044	4,224,062	17,736,982	94,386	17,642,596
Geographic Information Systems	3,258,335	-	3,258,335	831,138	2,427,197	-	2,427,197
Motor Pool Equipment Rental	10,133,108	-	10,133,108	1,296,521	8,836,587	2,221,990	6,614,597
Printing/Graphic Arts Services	3,161,933	371,875	3,533,808	237,531	3,296,277	-	3,296,277
Public Works Equipment Rental	10,852,123	-	10,852,123	2,944,190	7,907,933	1,093,336	6,814,597
Safety and Workers' Compensation	20,073,595	136,992	20,210,587	-	20,210,587	-	20,210,587
Transit NRV Equipment Rental	567,118	-	567,118	4	567,114	-	567,114
Wastewater Equipment Rental	2,385,470	-	2,385,470	1,494,173	891,297	66,183	825,114
TOTAL OF INTERNAL SERVICE FUNDS WITH ANNUAL BUDGETS	<u>\$ 277,297,725</u>	<u>\$ 5,849,126</u>	<u>\$ 283,146,851</u>	<u>\$ 18,273,840</u>	<u>\$ 264,873,011</u>	<u>\$ 5,244,970</u>	<u>\$ 259,628,041</u>

(a) The Schedule of Annual Budgets and Expenditures (Budgetary Basis) and Encumbrances by Appropriation Unit is presented in order to disclose budgeted and actual expenditures classified the same as, and at the same level of detail as, the legally adopted budget.

KING COUNTY, WASHINGTON

INFORMATION AND TELECOMMUNICATIONS SERVICES FUND
COMBINING SCHEDULE OF NET ASSETS
DECEMBER 31, 2002

	TOTAL INFORMATION & TELECOMMUNICATIONS SERVICES FUND	DATA PROCESSING SERVICES SUBFUND	TELECOMMUNICATION SERVICES SUBFUND
ASSETS			
Current assets			
Cash and cash equivalents	\$ 8,013,474	\$ 5,607,152	\$ 2,406,322
Accounts receivable	86,175	71,380	14,795
Estimated uncollectible accounts receivable	(4,724)	-	(4,724)
Due from other funds	920,028	721,650	198,378
Due from other governments	55,454	55,454	-
Estimated uncollectible due from other governments	(26,792)	(26,792)	-
Total current assets	<u>9,043,615</u>	<u>6,428,844</u>	<u>2,614,771</u>
Capital assets			
Furniture, machinery and equipment	595,893	469,051	126,842
Accumulated depreciation	(455,849)	(367,232)	(88,617)
Data processing equipment	11,690,383	11,690,383	-
Accumulated depreciation	(8,253,751)	(8,253,751)	-
Telecommunication equipment	1,509,010	-	1,509,010
Accumulated depreciation	(1,177,284)	-	(1,177,284)
Work in progress	1,879,826	1,877,052	2,774
Total capital assets	<u>5,788,228</u>	<u>5,415,503</u>	<u>372,725</u>
TOTAL ASSETS	<u>14,831,843</u>	<u>11,844,347</u>	<u>2,987,496</u>
LIABILITIES			
Current liabilities			
Accounts payable	1,192,222	594,062	598,160
Due to other funds	1,118,279	1,059,476	58,803
Interest payable	89,354	86,104	3,250
Wages payable	573,800	542,135	31,665
Taxes payable	4,916	4,545	371
General obligation bonds payable	1,030,000	900,000	130,000
Other liabilities	13,738	-	13,738
Total current liabilities	<u>4,022,309</u>	<u>3,186,322</u>	<u>835,987</u>
Long-term liabilities			
General obligation bonds payable	3,140,000	3,140,000	-
Compensated absences payable	1,913,697	1,881,285	32,412
Total long-term liabilities	<u>5,053,697</u>	<u>5,021,285</u>	<u>32,412</u>
TOTAL LIABILITIES	<u>9,076,006</u>	<u>8,207,607</u>	<u>868,399</u>
NET ASSETS			
Invested in capital assets, net of related debts	1,618,228	1,375,503	242,725
Unrestricted	4,137,609	2,261,237	1,876,372
TOTAL NET ASSETS	<u>\$ 5,755,837</u>	<u>\$ 3,636,740</u>	<u>\$ 2,119,097</u>

KING COUNTY, WASHINGTON

INFORMATION AND TELECOMMUNICATIONS SERVICES FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2002

	TOTAL INFORMATION & TELECOMMUNICATIONS SERVICES FUND	DATA PROCESSING SERVICES SUBFUND	TELECOMMUNICATION SERVICES SUBFUND
OPERATING REVENUES			
Data processing services - intracounty	\$ 20,767,384	\$ 20,767,384	\$ -
Data processing services - other	491,254	491,254	-
Telecommunication services	2,026,559	-	2,026,559
Miscellaneous	39,613	-	39,613
Total operating revenues	<u>23,324,810</u>	<u>21,258,638</u>	<u>2,066,172</u>
OPERATING EXPENSES			
Personal services	11,458,193	10,930,824	527,369
Materials and supplies	1,604,641	1,554,934	49,707
Contract services and other charges	4,810,984	4,311,175	499,809
Lease and maintenance of equipment	858,582	723,689	134,893
Internal services	2,247,671	1,747,985	499,686
Depreciation	1,403,710	1,357,986	45,724
Total operating expenses	<u>22,383,781</u>	<u>20,626,593</u>	<u>1,757,188</u>
Operating income	<u>941,029</u>	<u>632,045</u>	<u>308,984</u>
NONOPERATING REVENUE			
Loss on disposal of capital assets	<u>(6,212)</u>	<u>(6,212)</u>	<u>-</u>
NONOPERATING EXPENSES			
Interest	<u>194,926</u>	<u>188,426</u>	<u>6,500</u>
Income before contributions and transfers	739,891	437,407	302,484
Transfers in	991,477	991,477	-
Transfers out	<u>(1,300,489)</u>	<u>(1,300,489)</u>	<u>-</u>
CHANGE IN NET ASSETS	430,879	128,395	302,484
Total net assets - January 1, 2002	<u>5,324,958</u>	<u>3,508,345</u>	<u>1,816,613</u>
Total net assets - December 31, 2002	<u><u>\$ 5,755,837</u></u>	<u><u>\$ 3,636,740</u></u>	<u><u>\$ 2,119,097</u></u>

KING COUNTY, WASHINGTON

INFORMATION AND TELECOMMUNICATIONS SERVICES FUND
COMBINING SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2002

	TOTAL INFORMATION & TELECOMMUNICATIONS SERVICES FUND	DATA PROCESSING SERVICES SUBFUND	TELECOMMUNICATION SERVICES SUBFUND
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from users	\$ 23,270,028	\$ 20,983,787	\$ 2,286,241
Cash payments to suppliers for goods and services	(8,380,341)	(7,378,813)	(1,001,528)
Cash payments for employee services	(11,305,267)	(10,787,706)	(517,561)
Other operating revenues	39,613	-	39,613
Net cash provided by operating activities	<u>3,624,033</u>	<u>2,817,268</u>	<u>806,765</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers in	991,477	991,477	-
Transfers out	(1,265,566)	(1,265,566)	-
Net cash used by noncapital financing activities	<u>(274,089)</u>	<u>(274,089)</u>	<u>-0-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of assets	(387,984)	(375,724)	(12,260)
Principal paid on general obligation bonds	(985,000)	(860,000)	(125,000)
Interest paid on general obligation bonds	(236,250)	(226,625)	(9,625)
Principal paid on equipment contracts	(122,564)	(122,564)	-
Interest paid on equipment contracts	(1,072)	(1,072)	-
Proceeds from disposal of capital assets	626	626	-
Net cash used by capital and related financing activities	<u>(1,732,244)</u>	<u>(1,585,359)</u>	<u>(146,885)</u>
Net increase in cash and cash equivalents	1,617,700	957,820	659,880
Cash and cash equivalents - January 1, 2002	<u>6,395,774</u>	<u>4,649,332</u>	<u>1,746,442</u>
Cash and cash equivalents - December 31, 2002	<u>\$ 8,013,474</u>	<u>\$ 5,607,152</u>	<u>\$ 2,406,322</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income	\$ 941,029	\$ 632,045	\$ 308,984
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Depreciation	1,403,710	1,357,986	45,724
Changes in assets - (increase) decrease:			
Accounts receivable, net	78,881	(1,722)	80,603
Due from other funds	(182,883)	(341,112)	158,229
Due from other governments, net	89,715	74,098	15,617
Prepayments	27,775	27,775	-
Changes in liabilities - increase (decrease):			
Accounts payable	108,928	(7,355)	116,283
Due to other funds	1,013,557	955,782	57,775
Wages payable	28,418	13,396	15,022
Taxes payable	3,617	3,614	3
Other liabilities	(13,222)	(26,961)	13,739
Compensated absences	124,508	129,722	(5,214)
Total adjustments	<u>2,683,004</u>	<u>2,185,223</u>	<u>497,781</u>
Net cash provided by operating activities	<u>\$ 3,624,033</u>	<u>\$ 2,817,268</u>	<u>\$ 806,765</u>

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